

## **DISASTER RECOVERY AND PROJECT MANAGEMENT AGREEMENT**

This **Disaster Recovery and Project Management Agreement** (this "Agreement"), dated and effective December 12, 2016, is between the West Virginia Development Office, a division of the West Virginia Department of Commerce ("WVDO"), and HORNE LLP, a limited liability partnership authorized to do business in the state of West Virginia ("Horne") (sometimes, collectively, the "Parties").

### **RECITALS**

WHEREAS, in 2016, the federal government appropriated certain disaster recovery and assistance funds to the State of West Virginia;

WHEREAS, the United States Department of Housing and Urban Development ("HUD") Community Development Block Grant Disaster Relief ("CDBG-DR") Program is distributing a portion of the appropriated funds to the state of West Virginia in response to historic flooding that occurred in June of 2016 (the "Disaster Project");

WHEREAS, the WVDO is the agency responsible for administering the CDBG-DR program on behalf of the state of West Virginia;

WHEREAS, Horne is a national accounting and consulting firm qualified and experienced in facilitating project management services under CDBG-DR;

WHEREAS, the WVDO desires to engage Horne to provide project management services to support the development and implementation of its CDBG-DR program and Horne desires to provide such services to the WVDO, all in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and compensation described in this Agreement, the WVDO and Horne agree as follows:

1. **Engagement to Provide Project Management Services.** The WVDO shall engage Horne to assist the WVDO manage the Disaster Project and Horne shall provide the services described in this Agreement to assist the WVDO manage the Disaster Project.
2. **Term.** This Agreement begins on December 12, 2016, and ends on December 12, 2017, unless otherwise sooner terminated in accordance with paragraph 7 of this Agreement. The Parties may extend the term of this Agreement by executing a written amendment in accordance with Paragraph 12 of this Agreement.

### **3. WVDO Responsibilities.**

- a. **Compliance.** The WVDO shall administer the use of CDBG-DR funds and ensure that Horne complies with applicable state and federal laws, regulations, and/or guidelines governing the Disaster Project. The WVDO may refer any matter concerning potential violations of such laws, regulations, and/or guidelines to the proper authority having jurisdiction.
- b. **Compensation.** The WVDO shall compensate Horne in accordance with the compensation provisions contained in the Task Order One Agreement and Task Order Two Agreement (the "Task Orders"). Copies of the Task Orders are attached to this Agreement as Exhibit 1 and Exhibit 2 and incorporated into this Agreement by this reference. Additional Task Orders with corresponding compensation provisions may be developed and incorporated as necessary.
- c. **Deductions and Withholdings.** The WVDO may deduct amounts or withhold payments, in whole or in part, from any invoice Horne submits to the WVDO under this Agreement if Horne fails to comply with this Agreement. If the WVDO deducts or withholds such payments, the WVDO shall provide Horne with a written document explaining why the WVDO deducted or withheld any payment and setting forth a procedure and deadline to remedy the deficiency giving rise to the deducted or withheld payment. If Horne fails to satisfactorily remedy the deficiency as requested, the WVDO may permanently withhold the deducted or withheld payment.

### **4. Horne Responsibilities.**

- a. **Eligibility.** Horne and/or its employees, representatives, agents, subgrantees, or assigns shall remain eligible and qualified to support the Disaster Project.
- b. **Registrations and Certifications.** Horne shall ensure that it has achieved and maintains the following registrations or certifications:
  - i. All necessary registrations and licenses to do business in the State of West Virginia.
  - ii. Data Universal Numbering System ("DUNS") number. Horne shall provide WVDO with its DUNS number before payment for services can be issued.
  - iii. System for Award Management (SAM).

- iv. **Federal Award Identification Number ("FAIN").** Home shall incorporate its FAIN into all subcontracts under this Agreement.
- c. **Technical Assistance.** Home shall provide technical assistance to the WVDO related to CDBG-DR and traditional CDBG programs managed and/or contemplated by the WVDO.
- d. **Implementation Assistance.** Home shall provide program implementation assistance to the WVDO as deemed necessary by the WVDO in accordance with the Task Order. The Parties may develop and incorporate additional Task Orders as necessary.
- e. **Applicable State and Federal Regulations.** Home shall comply with all applicable federal, state, or local rules, regulations, or policies relating to CDBG-DR and CDBG program services. This includes without limitation applicable Federal Registers; 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200); Community Development Act of 1974; 24 CFR Part 570 Community Development Block Grant dollars; applicable waivers; Fair Housing Act, 24 CFR Part 35, 24 CFR Part 58, 24 CFR Part 135; National Historic Preservation Act, 36 CFR Part 800, Executive Order 11593; and any other applicable state laws or regulations, including the requirements related to nondiscrimination, labor standards and the environment; and Action Plan amendments and HUD's guidance on the funds.
- f. **Inconsistencies.** Home shall refer any inconsistency or perceived inconsistency between applicable state and federal regulations and the terms and conditions of this Agreement to the WVDO for guidance.
- g. **Performance Benchmarks.** Home shall meet or exceed the benchmarks described in the Task Order and any amendments or modifications thereto. Failure to meet those benchmarks without an alternative plan approved by the WVDO could result in corrective remedies to comply with applicable federal regulations.
- h. **Personal Identifiable Information.**
  - i. Home shall safeguard the confidentiality of all Personal Identifiable Information ("PII") associated with or generated under this Agreement. For purposes of this Agreement, PII includes without limitation, names, credit card numbers, social security numbers, biometric data, bank account

numbers, passport numbers, computer passwords, or any other health, financial or employment information.

- ii. Horne shall not appropriate PII for its own use or disclose any PII except to those persons directly concerned with the PII and only to the extent necessary to comply with this Agreement, unless such disclosure is required by law.
  - iii. Horne may not store PII on computers, mobile devices, cellular telephones and/or personal digital assistants, servers and/or storage devices, including removable media, unless required for the performance of services under this Agreement. If Horne does store any PII as described in this section, Horne shall delete and permanently erase the PII when storage is no longer required to satisfy the terms and conditions of this Agreement.
5. **FOIA.** Horne acknowledges that WVDO is subject to the terms of the West Virginia Freedom of Information Act ("FOIA"), as may be amended from time to time, and nothing contained within this Agreement is intended to limit WVDO's ability to disclose public records for which a reasonable claim of exemption can be made, including, but not limited to, trade secrets that are exempt from public disclosure by the State of West Virginia pursuant to West Virginia Code §29B-1-1, et seq. Moreover, Horne shall be immediately notified, to the extent permissible, of third party access to its proprietary information.
6. **Federal Provisions.** Horne shall comply with the following federal laws, as applicable:
- a. *Equal Employment Opportunity* - E.O. 11246, "Equal Employment Opportunity," as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR part 60, "Office of Federal Acquisition Compliance Programs, Equal Employment Opportunity, Department of Labor."
  - b. *Davis-Bacon Act*, as amended by 40 U.S.C. 3141-3148, as supplemented by Department of Labor regulations 29 CFR Part 5, "Labor Standards Provisions Applicable to Agreements Covering Federally Financed and Assisted Construction".
  - c. *Copeland "Anti-Kickback" Act* - 40 U.S.C. 3145, as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subgrantees on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States".

- d. *Agreement Work Hours and Safety Standards Act* 40 U.S.C. 3701-3708 and as supplemented by Department of Labor regulations 29 CFR Part 5.
- e. *Clean Air Act* 42 U.S.C. 7401-7671q. and the Federal Water Pollution Control Act 33 U.S.C. 1251-1387, as amended.
- f. *Debarment and Suspension* (Executive Orders 12549 and 12689). Agreement award (see 2 CFR 180.220.c) may not be made to parties listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.
- g. *Byrd Anti-Lobbying Amendment* 31 U.S.C. 1352.
- h. *Solid Waste Disposal Act*, Section 6002, as amended by the Resource Conservation and Recovery Act.

**7. Suspension and Termination.**

- a. **Suspension.** If Horne fails to comply with the terms, conditions or standards of this Agreement, the WVDO may, on reasonable notice to Horne, suspend this Agreement, and withhold further payments, or prohibit Horne from incurring additional obligations of funds under this Agreement, pending corrective action by Horne or a decision to terminate in accordance with this section as defined below. The WVDO shall allow all necessary and proper costs that Horne could not reasonably avoid during the period of suspension if they are consistent with applicable laws or regulations.
- b. **Termination.**
  - i. Termination for cause. The WVDO may terminate this Agreement, in whole or in part, at any time before the date of completion, whenever it is determined that Horne has failed to comply with any term of this Agreement, whether stated in a Federal statute, or regulation, an assurance, an application, a notice of award or elsewhere. The WVDO shall promptly notify Horne in writing of the determination and the reasons for the termination, together with the

effective date. Payments made to Home shall be in accord with the legal rights and liabilities of the parties.

ii. Termination for convenience.

1. The Parties may terminate this Agreement in whole, or in part, if the Parties determine that continuation of the Disaster Project would not produce beneficial results commensurate with the further expenditure of funds. If so decided, Home may not incur new obligations after the effective termination date, and shall cancel as many outstanding obligations as possible. The WVDO shall allow full credit to Home for the federal share of the non-cancelable obligations, properly incurred by Home prior to termination.
  2. Home may terminate this Agreement upon written notice to the WVDO, setting forth the reasons for such termination and the portion to be terminated. In such event, Home shall comply with the provisions of this Paragraph 7.
  3. The WVDO may terminate this Agreement upon thirty (30) days written notice to Home. The WVDO shall pay Home for services rendered prior to the effective date of termination.
- c. **Applicable Regulations.** The Parties shall observe 2 CFR 200.339 "Termination" and 2 CFR 200.342 "Effects of Suspension and Termination".
- d. **Right to Seek Relief.** The WVDO reserves all remedies of law and equity, including without limitation, the right to seek all appropriate relief upon the filing of a voluntary or involuntary petition for Home's reorganization or liquidation under any bankruptcy or insolvency laws providing for the relief for debtors.
- e. **Transitional Assistance.** If Home terminates or suspends this Agreement, the WVDO may require Home to ensure that adequate arrangements have been made for the transfer of delegated activities to another contractor, qualified entity, or to the WVDO.
- f. **Disposition of Property.** If termination occurs, all property and finished or unfinished documents, data, and studies prepared by Home under this Agreement shall be disposed of per HUD directives and the WVDO and the Home may be

entitled to compensation for any non-reimbursed, reasonable, and necessary expenses incurred in satisfactory performance of the Agreement.

- g. **Continuing Liability.** Horne shall assume continued liability to the WVDO for any damages sustained by the WVDO due to any breach of this Agreement that Horne fails to remedy or cure. The WVDO may withhold payments under this Agreement to offset damages incurred by the WVDO under this Agreement.
- h. **Conditions Endangering Performance.** The WVDO shall provide Horne with written notice of any condition endangering performance and a reasonable timeframe to remedy or cure the condition. If Horne fails to remedy or cure the condition contained in the notice within the timeframe set forth in the notice, the WVDO may issue an order terminating this Agreement. The WVDO shall be obligated only for services rendered and accepted before the date of the notice of termination.

#### 8. **Limitations and Rights of Third Parties.**

- a. **Rights.** Nothing contained in this Agreement shall impair the rights of WVDO.
- b. **Access and Monitoring.** WVDO, HUD, the Comptroller General of the United States, and any other federal regulatory agency with oversight on the funds or any of their duly authorized representatives shall have the right to the following:
  - i. Access to any books, documents, papers and records of the Horne which are directly pertinent to this specific Agreement for making audit, examination, excerpts, and transcriptions.
  - ii. Inspect and monitor work performed by the Horne under this Agreement. This inspection and monitoring could result in the requirement to fix deficiencies if Horne does not satisfy applicable regulations and standards.

#### 9. **Subcontracts.**

- a. **General:** Horne shall ensure all subcontracts follow 2 CFR 200 as well as any applicable HUD rules and regulations. All subcontracts shall contain the applicable provisions described in Appendix II to Part 200 - "Agreement Provisions for non-Federal Entity Agreements Under Federal Awards" as well as applicable provisions set forth in 2 CFR 200.101. The WVDO shall review subcontracts as part of the compliance monitoring and oversight process performed by WVDO or upon request.

- b. **Specific Requirements:** All subcontracts shall contain provisions specifying:
- i. That the work performed by the subgrantee be in accordance with the applicable terms of this Agreement between the WVDO and Home;
  - ii. That nothing contained in such subcontract agreement shall impair the rights of the WVDO;
  - iii. That nothing contained herein, or under this Agreement will create any contractual relation between the subgrantee and the WVDO;
  - iv. That the subgrantee specifically agrees to be bound by the confidentiality provision regarding Personal Identifiable Information set forth in this Agreement;
  - v. That Home will be responsible for ensuring all subcontract work is performed consistent with federal and state regulations and/or policies to be eligible for reimbursement of the approved work; and
  - vi. All Federal flow down provisions are included in the subcontract agreement per Federal guidelines.
- c. **Monitoring.** Home shall diligently monitor all subcontracted services. If Home discovers and areas of noncompliance, Home shall provide the WVDO summarize in written reports supported with documented evidence of corrective action.
- d. **Content.** Home shall cause all the applicable provisions of this Agreement to be included in, and made a part of, any subcontract executed in the performance of this Agreement.

10. **Indemnity.** Home shall hold harmless, defend, and indemnify the WVDO, its officers and employees, against claims or losses for services rendered by Home, any subgrantee, person, or firm performing or supplying services, materials, or supplies under this Agreement, including without limitation:

- a. Any claim or loss resulting to any person, property, or entity injured or damaged by Home, its officers, employees, representatives, or subgrantees by the publication, translation, reproduction, delivery or use of data or information under this Agreement; and



- b. Any failure by the Horne, its officers, employees, representatives, or subgrantees to observe state and Federal laws.

11. Entire Agreement. This Agreement and any attachments or exhibits hereto constitute the entire agreement between the parties. All prior agreements, discussions, representations, warranties and covenants are merged herein. There are no warranties, representations, covenants or agreements, expressed or implied, between the parties except those expressly set forth in this Agreement.

12. Amendments and Modifications. Any amendments or modifications of this Agreement shall be in writing and executed by the Parties and delivered in accordance with paragraph 12 of this Agreement.

13. Notice. Notices required by this Agreement shall be in writing and delivered via U.S. Mail, return receipt requested, commercial courier, personal delivery, or electronic mail. Any electronic mail notice shall be effective on the date of sending. All other notices shall be effective on the date of receipt. All notices and other written communications under this Agreement shall be directed as follows, unless otherwise modified by subsequent written notice:

a. To WVDO:

State Capitol  
Building 6, Room 533  
Charleston, WV 25305  
Attn: Russell Tarry  
[Russell.W.Tarry@wv.gov](mailto:Russell.W.Tarry@wv.gov)

b. To Horne:

1215 19<sup>th</sup> Street, NW – Third Floor  
Washington, DC 20036  
Attn: Anna Gibson  
[Anna.Gibson@homellp.com](mailto:Anna.Gibson@homellp.com)

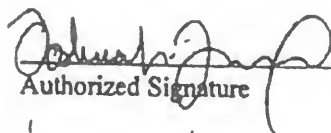
14. Waiver. Failure of a Party to enforce strictly a provision of this Agreement shall not be considered a waiver of any part of such provision. No waiver by a Party of any breach or default by the other Party shall operate as a waiver of any succeeding breach or other default or breach by such other Party. No waiver shall have any effect unless it is specific, irrevocable and in writing.

15. Severability. If any term of this Agreement is to any extent illegal, otherwise invalid, or incapable of being enforced, such term shall be excluded to the extent of such invalidity or unenforceability; all other terms hereof shall remain in full force and effect; and, to the extent permitted and possible, the invalid or unenforceable term shall be deemed replaced by a term that is valid and enforceable and that comes closest to expressing the intention of such invalid or unenforceable term.

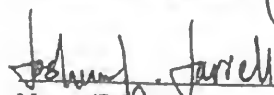
IN WITNESS WHEREOF, the WVDO has caused this Agreement to be executed, and Horne has caused this Agreement to be executed in its behalf by its duly authorized officers.


West Virginia Development Office

HORNE LLP


  
Authorized Signature

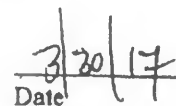
  
Authorized Signature

  
Name (Printed)

  
Name (Printed)

  
Title

  
Title

  
Date

  
Date

## **Exhibit 1**

### **Task Order One**

#### **WVDO Action Plan – Federal Registers / Vol. 81, No. 224 & Vol. 82, No. 11**

In accordance with the Master Agreement for Services ("Agreement") between the West Virginia Development Office ("WVDO") and HORNE LLP ("HORNE") dated December 12 2016, this Task Order describes the Services, Period of Performance, and Compensation provisions for the identified services. The services are based upon the proposal submitted by HORNE pursuant to the Request for Proposals generated by the WVDO for the completion of the project.

#### **Services**

Under the direction of the WVDO, HORNE will prepare and submit a comprehensive CDBG-DR Action Plan according to the requirements outlined in the HUD Federal Register Notice describing the needs, strategies, and projected uses of the Disaster Recovery funds. This plan will determine and guide how many additional CDBG-DR funds related to the current disaster would be utilized.

HORNE will establish the WVDO's electronic Action plan in DRGR. HORNE will also provide comprehensive DRGR training and technical assistance to the WVDO staff members.

#### **Period of Performance**

HORNE will perform Services beginning the effective date of the Master Agreement and ending upon final acceptance of the identified action plan by HUD.

#### **Compensation**

Upon acceptance of the identified Action Plan by HUD, WVDO shall compensate HORNE a fixed, flat fee of Two Hundred and Twenty-Five Thousand Dollars (\$225,000) for Services rendered pursuant to this Task Order.

Invoices will be submitted in accordance with the procedures developed by the WVDO for appropriate review and processing of the documentation. The invoices will be submitted electronically to a project lead identified by the WVDO, who will review for accuracy and completeness. Upon approval by the project lead, the invoice will be submitted to the WVDO Fiscal Unit for processing and payment through the West Virginia State Auditor's Office.

## **Exhibit 2**

### **Task Order Two**

#### **Traditional CDBG and CDBG-DR Program Guidance, Design and Development**

In accordance with the Master Agreement for Services ("Agreement") between the West Virginia Development Office ("WVDO") and HORNE LLP ("HORNE") dated December 12, 2016, this Task Order describes the Services, Period of Performance, and Compensation provisions for the identified services. The services are based upon the proposal submitted by HORNE pursuant to the Request for Proposals generated by the WVDO for the completion of the project.

#### **Services**

Under the direction of the WVDO, HORNE will provide technical assistance to the WVDO related to the various traditional CDBG and CDBG-DR programs managed and/or contemplated by the WVDO. These services include, but are not limited to, the following activities:

- HORNE will ensure program and grantee adherence to U.S. Department of Housing and Urban Development (HUD) Regulations and Program Requirements.
- HORNE will create and provide Program Development and Support.
- HORNE will create and provide Policy Development and Review.
- HORNE will develop comprehensive training, communication, monitoring, and reporting plans.
- HORNE will perform assessment of prospective subrecipients as well as develop policies, procedures and templates necessary to effectively manage the subrecipients ultimately associated with the various recovery programs and prepare training material for the subrecipients.
- HORNE will assess WVDO's current information system and provide recommendations based on those findings.
- HORNE will perform change control as the program evolves.
- HORNE will train Agency staff members and other relevant stakeholders.
- HORNE will provide technical assistance around Section 3, Fair Housing and Minority and Women Owned Business Enterprise (MWBE) reporting and compliance for CDBG.
- HORNE will provide technical assistance to the WVDO regarding CDBG, CDBG-DR, CDBG-NDR, and Public Laws 113-2 & 114-113 regulations and best practices.
- HORNE will provide technical assistance on waiver requests and policy liaison for HUD funding streams.
- HORNE will provide technical assistance with planning, managing, and compliance requirements associated with various HUD-administered programs such as Housing

Rehabilitation and Reconstruction, Housing Appraisal, Rental, Infrastructure, Economic Development and Small Business.

- HORNE will provide development of FEMA Project Worksheet.
- HORNE will provide development of Tier I Environmental Categorical exclusion parameters.
- HORNE will provide staff augmentation, as desired by WVDO.

**Period of Performance**

HORNE will perform Services beginning the effective date of the Master Agreement and ending on December 31, 2017.

**Compensation**

As full compensation for the identified Services, WVDO shall compensate HORNE a fixed, flat fee of Six Hundred and Seventy-Five Thousand Dollars (\$675,000) for Services rendered pursuant to this Task Order. This fee will be invoiced bi-monthly pursuant to the following schedule:

Date	Amount
2/28/2017	\$ 81,000.00
4/30/2017	\$ 81,000.00
6/30/2017	\$ 81,000.00
8/31/2017	\$ 67,500.00
10/31/2017	\$ 67,500.00
12/31/2017	\$ 54,000.00
2/28/2018	\$ 54,000.00
4/30/2018	\$ 54,000.00
6/30/2018	\$ 40,500.00
8/31/2018	\$ 40,500.00
10/31/2018	\$ 27,000.00
12/31/2018	\$ 27,000.00
<b>Total</b>	<b>\$ 675,000.00</b>

Invoices will be submitted in accordance with the procedures developed by the WVDO for appropriate review and processing of the documentation. The invoices will be submitted electronically to a project lead identified by the WVDO, who will review for accuracy and completeness. Upon approval by the project lead, the invoice will be submitted to the WVDO Fiscal Unit for processing and payment through the West Virginia State Auditor's Office.

### **Task Order Three**

#### **WVDO CDBG Project Assessments and Advancement**

In accordance with the Master Contract for Services ("Contract") between the West Virginia Development Office ("WVDO") and HORNE LLP ("HORNE") dated December 12, 2016, this Task Order describes the Services, Period of Performance, and Compensation provisions for the identified services.

#### **Services**

HORNE will perform following activities related to the active, traditional CDBG projects administered by the WVDO:

- Read and review the Community Development Office's CDBG Policies and Procedures Manual effective 2015.
- Meet with WVDO project stakeholders and determine current status of active projects.
- Conduct entrance meeting with WVDO project stakeholders. Communicate project assessment objectives and deliverables. Coordinate use of WVDO staff.
- Perform a comprehensive project assessment of each traditional CDBG project administered by the WVDO. Perform remedial activities on non-compliant project files.
- Perform a programmatic monitoring on identified projects, as defined by the existing monitoring plan.
- Perform a fiscal/financial monitoring on identified projects, as defined by the existing monitoring plan.
- Perform all procedures necessary to advance identified projects to final closeout, as defined in the WVDO's approved CDBG Policies and Procedures Manual effective 2015.
- Prepare and/or revise relevant project checklists, letters, and/or notices.
- Develop a comprehensive monitoring plan that considers industry best practices tailored to WVDO projects. This plan should include all applicable monitoring activity checklists compliant with HUD requirements.
- Perform ongoing subgrantee counseling on project deficiencies and best practices.
- Perform ongoing training for WVDO staff.
- Conduct exit meeting with WVDO stakeholders. Communicate engagement findings and action items.
- Perform assessment of overall program management and communicate performance improvement observations.

#### **Period of Performance**

HORNE will perform Services beginning the effective date of the Master Contract and ending upon conclusion of task order services assigned by the WVDO.

### Compensation

As compensation for the identified Services, WVDO shall compensate HORNE a fixed unit price as described below for work properly authorized and successfully completed under the direction of the WVDO.

Task	Service Rendered	Unit Fee
A	Read and review the Community Development Office's CDBG Policies and Procedures Manual effective 2015.	\$0
B	Meet with WVDO project stakeholders to determine current status of active projects.	\$0
C	Conduct entrance meeting with WVDO project stakeholders. Communicate project assessment objectives and deliverables. Coordinate use of WVDO staff.	\$0
D	Perform a comprehensive project assessment of each traditional CDBG project administered by the WVDO. This assessment includes, but is not limited to, physical inspection of the file of record and inquiries of project management/subgrantee staff. Deliverable includes a written assessment for each project that includes: project status, funding status, barriers to completion, action items for advancement, and estimated closeout timeframe.	\$1,250
E	Perform remedial activities on non-compliant project files.	\$500
F	Perform a programmatic monitoring on identified projects, as defined by the existing monitoring plan.	\$3,500
G	Perform a fiscal/financial monitoring on identified projects, as defined by the existing monitoring plan.	\$2,000
H	Perform all procedures necessary to advance identified projects to final closeout, as defined in the WVDO's approved CDBG Policies and Procedures Manual effective 2015. Note: Tasks E, F, and G are required steps to complete Task H. If Task H is performed, HORNE will not invoice tasks E, F, and G for the respective project.	\$5,000
I	Prepare and/or revise relevant project checklists, letters, and/or notices.	\$0
J	Develop a comprehensive monitoring plan that considers industry best practices tailored to WVDO projects. This plan should include all applicable monitoring activity checklists compliant with HUD requirements.	\$0
K	Perform ongoing subgrantee counseling on project deficiencies and best practices.	\$0
L	Perform ongoing training for WVDO staff.	\$0
M	Conduct exit meeting with WVDO stakeholders. Communicate engagement findings and action items.	\$0
N	Perform assessment of overall program management and communicate performance improvement observations.	\$0
N/A	Fixed-fee start-up and travel allowance (one-time only)	\$15,000

Fees earned on tasks completed will be invoiced within 10 days of each month end. Invoices will be submitted electronically to a Russell Tarry, Deputy Director of Community Advancement and Development for approval. Upon approval, the invoice will be submitted to the WVDO Fiscal Unit for processing and payment through the West Virginia State Auditor's Office.

West Virginia Development Office



Authorized Signature

JOSHUA L. JARRELL

Name (Printed)

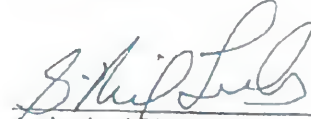
General Counsel

Title

5/9/17

Date

HORNE LLP



Authorized Signature

S. Neil Forbes

Name (Printed)

Partner

Title

23 MAY 17

Date



## **Task Order Four**

### **Implementation of CDBG-DR Programs under the State's Approved Action Plan**

In accordance with the Master Contract for Services ("Contract") between the West Virginia Development Office ("WVDO") and HORNE LLP ("HORNE") dated December 12, 2016, this Task Order describes the Services, Period of Performance, and Compensation provisions for the identified program implementation services. The Services are based upon the proposal submitted by HORNE pursuant to the Request for Proposals generated by the WVDO for the completion of the project.

#### **Background**

On June 1, 2017, The U.S. Department of Housing and Urban Development ("HUD") approved the State of West Virginia's Action Plan ("Action Plan") for Community Development Block Grant disaster recovery ("CDBG-DR") funds. These funds were appropriated under the Continuing Appropriations Act, 2017 (Public Law 114-223), which provided \$104,280,000 to the State of West Virginia ("State") for long-term recovery from major storms and flooding events that occurred in 2016. Of this amount, the State has allocated \$64,378,950 to an owner-occupied housing rehabilitation program, \$16,000,000 to affordable rental housing programs, \$12,440,000 to hazard mitigation grant match, \$2,080,000 for bridge home replacement, \$2,500,000 for Clendenin and the remaining \$6,881,050 for administration and planning activities. At least 80% of the total award amount must be spent within the four "most impacted" areas (Greenbrier, Kanawha, Clay and Nicholas Counties) which HUD identified in the November 21, 2016, Federal Register Notice (81 FR 83254).

#### **Services**

HORNE shall perform, or cause to be performed, under the direction of the WVDO, grant administration services as required to implement each of the State's disaster recovery programs ("Programs") as defined under the State's approved Action Plan.

Grant administrative services must be performed in compliance with 1) HUD requirements, 2) the Master Contract and all attachments, including the Provider's Proposal and any related task orders, and 3) any amendments to this Contract.

Services include, but are not limited to, the following activities:

### ***Mobilization***

- Secure appropriate and necessary work space to conduct program activities.
- Build out work space locations.
- Hire and onboard program staff to carryout program activities, and
- Any other services required to mobilize program activities in a manner to minimize delay in the delivery of services to potential applicants

### ***Operational Planning***

- Coordination with State Agencies and relevant entities.
- Document preparation.
- Guideline development.
- Outreach plan development.
- Training plan development.
- Section 3 and AFFH plan development.
- Policy & procedure development.
- Grant agreement development.
- Subrogation agreement development.
- Internal staff training.
- WVDO and other stakeholder staff training.
- Technology and hardware development and deployment
- Development of grant management system.
- Transparency website, and
- Any other services required to plan for program activities in a manner to minimize delay in the delivery of services to potential applicants

### ***Outreach Coordination***

HORNE will perform all services necessary to execute, or cause to be executed, the State's approved outreach plan. This includes both targeted and general applicant outreach as contemplated in the approved action plan. HORNE will coordinate activities with the Office of Marketing & Communications of the West Virginia Department of Commerce.

### ***Applicant Intake and Eligibility Processing***

HORNE will perform all services required to collect and qualify applicants in accordance with Action Plan requirements, including the costs necessary to operate, equip, and maintain service center locations necessary to establish a sufficient applicant pool to fully obligate the available grant award.

- Coordinate intake activities with State-approved recovery partners

- Provide intake technology to State-approved recovery partners
- Share applicant information with State-approved recovery partners
- Ensure that applicants (and tenants) participating in a covered program meet stated eligibility requirements for the respective program
- Ensure applicants are compliant with Stafford Act requirements and Area Median Income (AMI) restrictions
- Perform title review services to verify ownership and liens
- Perform personal consultations with responsive applicants and maintain documentation of all scheduling efforts for nonresponsive applicants
- Ensure applicant files are complete and maintained in the document control and management system (i.e., grant management system)
- Perform reviews of appropriate supporting documentation and perform site visits as necessary
- Prepare and file appropriate covenant and lien documents in accordance with State and local jurisdiction requirements.
- Communicate and coordinate with local and state housing advocates
- Execute the State's eligibility appeal process in accordance with program policy
- Perform quality assurance review of each eligibility determination prior to grant agreement execution
- Provide limited legal and advisory support specific to programmatic activities
- Any other services required to execute intake and eligibility processing services in a manner to minimize delay in the delivery of services to potential applicants

### ***Property Assessment Processing***

HORNE will assess each property in which an applicant has been deemed potentially eligible and grant funding remains available. These services include

- Visual inspection purported property damage (Note: Inspectors will not engage in destructive inspection techniques).
- Assess the cause and extent of damaged observed
- Document a damage estimate to be utilized in the determination of grant award
- Identify and adjust the construction scope of work for duplication of benefits, if required
- Assess the cost reasonableness of rehabilitation, reconstruction, or manufactured home unit ("MHU") replacement
- Any other services required to assess property eligibility in accordance with program requirements in a manner to minimize delay in the delivery of services to potential applicants

### *Programmatic Agreement and Environmental Assessments*

HORNE will review the existing Programmatic Agreement among the Federal Emergency Management Agency, the West Virginia State Historic Preservation Officer, the West Virginia Department of Homeland Security and Emergency Management, the Catawaba Indian Nation, and the Seneca Nation of Indians of New York. HORNE will review the Protocol for Responsible Entities to Adopt the HUD Addendum to the FEMA PA for CDBG-DR Projects in West Virginia. HORNE will provide technical assistance to the State in establishing the State's programmatic agreement with HUD.

HORNE will prepare Tier I Environmental Reviews for the following Counties in the State of West Virginia: Clay, Fayette, Greenbrier, Jackson, Kanawha, Lincoln, Monroe, Nicholas, Pocahontas, Roane, Summers, Webster. The Tier I Environmental Reviews will provide sufficient level of detail to meet or exceed minimum HUD expectations. The Tier I Environmental Review will include, but may not be limited to:

- Program Description, including purpose and need of program.
- Tiered plan for the environmental review;
- Structured decision making process for Action relative to Floodplain and Wetlands.
- Applicable and necessary mitigation measures for observed issues.
- Compliance documentation checklist.
- HUD Statutory checklist, or lists, as may be necessary.
- Sample Tier II Site-Specific Review Checklist; and
- Combined Notice of Finding of No Significant Impact (FONSI) and Notice of Intent to Request Release of Funds (NOI/RROF)

HORNE will prepare a Tier II Environmental Review for each property in which an applicant has been deemed potentially eligible and grant funding remains available. The Tier II Environmental Reviews will provide sufficient level of detail to meet or exceed minimum HUD expectations. The Tier II Environmental Review will include, but may not be limited to:

- Program Description, including purpose and need of program.
- Tiered plan for the environmental review.
- Structured decision making process for Action relative to Floodplain and Wetlands.
- Applicable and necessary mitigation measures for observed issues.
- Compliance documentation checklist.
- HUD Statutory checklist, or lists, as may be necessary.
- Sample Tier II Site-Specific Review Checklist, and
- FONSI Request for Release of Funds Authority to Use Grant Funds.
- Review each site's compliance with state and federal environmental regulations.
- Review each site's compliance with lead based paint requirements.

- Review each site's compliance with historic preservation requirements.
- Review each site's compliance with Section 106 requirements.
- Review each site's compliance with floodplain management requirements.
- Review each site's compliance with wetland protection requirements.
- Review each site's compliance with the Coastal Zone Management Act, sole source aquifers, Endangered Species Act, Wild and Scenic Rivers Act, Clean Air Act, Farmland Protection Policy Act, environmental justice, noise abatement and control, explosive and flammable Operations, hazardous, toxic or radioactive materials and substances, airport clear zones and accident potential zones, Flood Disaster Protection Act, Coastal Barrier Resources Act Coastal Barrier Improvement Act, airport runway clear zone or clear zone disclosure, all factors pertaining to the Environmental Assessment Checklist (when required, 24 CFR Part 58.5), and other environmental topics required by state and federal regulations

### ***Grant Award Calculation and Agreement***

HORNE will review application documents to determine applicant and site eligibility. HORNE will calculate the appropriate grant award for each eligible application based on program criteria. HORNE will meet with each applicant approved for program assistance and explain all provisions to the applicant. HORNE will ensure the State-approved homeowner grant agreement is executed prior to obligating program funding or beginning work on an applicant's property. The State-approved Homeowner grant agreement will include, but is not limited to, the following provisions as deemed appropriate and necessary by the State:

- Purpose of agreement.
- Source of funding.
- Acceptance of plans and consent to perform the project.
- Access to property and homeowner agreement to cooperate.
- Site ready requirements.
- Duty to inform.
- Final approval of the project.
- Contractor, materialmen or mechanics' liens.
- WVDO program lien.
- Warranty issues and follow-up.
- Additional work.
- Condition of premises.
- Notices to homeowner and any occupants of the property.
- Lead and asbestos considerations.
- Termites in effect on ownership interests provisions.
- Acknowledgment of receipt of documents.

- Contractor assignment.
- Choice of law.

### ***Construction Management & Verification***

HORNE will serve as the State's construction manager for all programs. HORNE will oversee and manage the State-procured contractor pool. Construction management and verification services include, but are not limited to, the following:

- Train contractors and provide the coordination required to efficiently implement the covered programs
- Ensure that construction activities are performed in accordance with program requirements, relevant building code requirements, and HUD quality standards
- Develop and communicate State-approved performance metrics for all construction activities.
- Perform builder assignments.
- Monitor contractor performance and allocate available work based on contractor performance
- Provide a custom software solution (CarbonCM) to all requisite construction contractors working under this particular program to track progress and timeliness for assigned work
- Perform final inspection of each property to ensure compliance with all applicable building standards
- Monitor and collect documentation to support Davis-Bacon Act requirements, when applicable.
- Track construction expenditures of CDBG-DR funds
- Evaluate the need and appropriateness of construction change orders
- Review and approve all construction contractor requests for payment
- Perform periodic site observations as part of an ongoing quality assurance process.
- Ensure all relevant project documents are included in the State's system of record
- Any other services required to ensure construction activities are performed and verified in accordance with program requirements in a manner to minimize delay in the delivery of services to potential applicants

### ***Pay Application Processing & Distribution of CDBG-DR Funding***

HORNE will perform oversight of the distribution of all CDBG-DR funding. HORNE will ensure that all activity expenditures are supported by sufficient, appropriate documentation. HORNE will ensure documentation is memorialized in the State's grant management system. HORNE will provide the WV Department of Commerce's Administrative Services Unit (Finance Section) with documentation necessary to review pay applications and substantiate each

draw of grant funding. HORNE will ensure compliance with all requirements of the Office of Management and Budget (OMB).

#### ***Document Control and Management***

HORNE will provide sufficient, appropriate document control and management to meet the financial and documentation requirements for CDBG grants. This includes, but is not limited to, the following records:

- Records providing full description of each activity.
- Records verifying that activity meets national and grant objectives.
- Records related to demonstrating eligibility of activities.
- Records required to document activity related to real property.
- Records documenting compliance with the fair housing and equal opportunity requirements.
- Financial records and reports required by the program.
- Performance reports required by the program.
- Records supporting any specific requirements of the grant.

#### ***Internal Reporting***

HORNE will develop an internal reporting solution (package) for the WVDO. This solution will provide the WVDO and other program stakeholders all information necessary to perform oversight of all program activities. HORNE will develop additional reporting metrics on requests by the WVDO.

HORNE will report any identified or suspected instances of non-compliance with applicable laws, rules and policies to the WVDO.

#### ***Federal Reporting***

HORNE will establish program activity line items in HUD's Disaster Recovery Grant Reporting system (DRGR). HORNE will provide the WVDO with all information necessary to comply with applicable Federal reporting requirements. HORNE will review all Federal reports prior to submission by the WVDO. HORNE will train to and provide oversight of WVDO team members on Federal reporting requirements and the use of HUD's DRGR reporting system.

#### ***Administration of HMGP Match with CDBG-DR Funding***

HORNE will administer the State's allocation of HMGP match funding as described in the approved action plan. HORNE will coordinate with representatives of the West Virginia Department of Homeland Security and Emergency Management in administering these funds.

HORNE will evaluate the proposed activities under the HMGP grant for DR-4273 and ensure they meet eligibility requirements under CDBG-DR. HORNE will perform eligibility, construction oversight & management, and environmental activities necessary under CDBG-DR requirements

#### ***Administration of the Bridge Home Program***

HORNE will coordinate with West Virginia Volunteers Active in Disasters ("WVVOAD") to administer the Bridge Home Program as described in the approved action plan. HORNE will perform eligibility, construction oversight & management, and environmental activities necessary under CDBG-DR requirements

#### ***Administration of the Restore Riverview Project (or similar alternative project)***

HORNE will administer the Restore Riverview Project (or similar alternative project) as described in the approved action plan. HORNE will coordinate with relevant stakeholders in administering these funds. HORNE will evaluate the proposed activities to ensure they meet eligibility requirements under CDBG-DR. HORNE will perform eligibility, construction oversight & management, and environmental activities necessary under CDBG-DR requirements

#### ***Closeout***

HORNE will ensure that all closeout forms are completed as required. OMB Circular No. 133 compliant documents and reports will be maintained and provided in order to satisfy HUD and other federal audit requirements resulting in an audit ready financial report of all activities including electronic copies of all supporting documents.

#### **Period of Performance**

HORNE will perform Services beginning the effective date of the Master Contract and ending on December 31, 2017, unless a renewal of the contract is executed.



## Compensation

As full compensation for the identified Services, WVDO shall compensate HORNE under to compensation models as follows:

### Compensation Model #1

Housing Program Benchmark Fees (Program Administration & Delivery Costs)		
Benchmark	% of Total Fee	Benchmark Payment
Mobilization & Kickoff (Upon execution of Task Order 4)	5%	\$ 536,292.94
50 Homeowner Grant Agreements Executed	5%	\$ 536,292.94
100 Homeowner Grant Agreements Executed	5%	\$ 536,292.94
200 Homeowner Grant Agreements Executed	5%	\$ 536,292.94
300 Homeowner Grant Agreements Executed	5%	\$ 536,292.94
10% of Total Housing Program Funding Disbursed	7.5%	\$ 804,439.42
20% of Total Housing Program Funding Disbursed	7.5%	\$ 804,439.42
30% of Total Housing Program Funding Disbursed	7.5%	\$ 804,439.42
40% of Total Housing Program Funding Disbursed	7.5%	\$ 804,439.42
50% of Total Housing Program Funding Disbursed	7.5%	\$ 804,439.42
60% of Total Housing Program Funding Disbursed	7.5%	\$ 804,439.42
70% of Total Housing Program Funding Disbursed	7.5%	\$ 804,439.42
80% of Total Housing Program Funding Disbursed	7.5%	\$ 804,439.42
90% of Total Housing Program Funding Disbursed	7.5%	\$ 804,439.42
100% of Total Housing Program Funding Disbursed	7.5%	\$ 804,439.42
	100%	\$ 10,725,858.89


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**Compensation Model #2**

Unit Fees (Activity Delivery Costs)	Quantity	Unit Price	Subtotal
<b>All Programs</b>			
Tier 1 Environmental Assessment	12	\$ 15,000.00	\$ 180,000.00
			<b>\$ 180,000.00</b>
<b>Housing Programs</b>			
Tier 2 Environmental Assessment	1250	\$ 750.00	\$ 937,500.00
Construction Management & Verification	1250	\$ 3,500.00	\$ 4,375,000.00
			<b>\$ 5,312,500.00</b>
<b>Restore Riverview Project</b>			
Tier 2 Environmental Assessment	1	\$ 3,000.00	\$ 3,000.00
Construction Management & Verification	1	\$ 130,000.00	\$ 130,000.00
Project Delivery Fee <sup>3</sup>	1	\$ 100,000.00	\$ 100,000.00
			<b>\$ 233,000.00</b>
<b>Bridge Home Program</b>			
Tier 2 Environmental Assessment <sup>1</sup>	100	\$ 750.00	\$ 75,000.00
Construction Management & Verification <sup>1</sup>	100	\$ 1,000.00	\$ 100,000.00
Project Delivery Fee <sup>1</sup>	1	\$ 75,000.00	\$ 75,000.00
			<b>\$ 250,000.00</b>
<b>HMGP Match Program</b>			
Tier 2 Environmental Assessment <sup>2</sup>	5	\$ 3,000.00	\$ 15,000.00
Construction Management & Verification	5	\$ 100,000.00	\$ 500,000.00
Project Delivery Fee <sup>1</sup>	1	\$ 250,000.00	\$ 250,000.00
			<b>\$ 765,000.00</b>
<sup>1</sup> Unit cost only assessed if grant award property is not included in one of the housing programs			
<sup>2</sup> If necessary			
<sup>3</sup> Due upon HUD's disbursement of program funding			
<b>Total Unit Fees</b>			<b>\$ 6,740,500.00</b>

Invoices under Compensation Model 1 will occur upon achievement of the identified benchmark. Invoices under Compensation Model 2 will occur on a monthly basis for all unit services completed in the month preceding. Invoices will be submitted in accordance with the procedures developed by the WVDO for appropriate review and processing of the documentation. The invoices will be submitted electronically to a project lead identified by the WVDO, who will review for accuracy and completeness. Upon approval by the project lead, the invoice will be submitted to the WVDO Fiscal Unit for processing and payment through the West Virginia State Auditor's Office.

West Virginia Development Office


  
Authorized Signature

  
Name (Printed)

  
Title


  
Date

HORNE LLP

  
Authorized Signature

  
Name (Printed)

  
Title

  
Date

## **Task Order Five**

### **RISE West Virginia Duplication of Benefit Support**

In accordance with the Master Contract for Services ("Contract") between the West Virginia Development Office ("WVDO") and HORNE LLP ("HORNE") dated December 12, 2016, this Task Order describes the Services, Period of Performance, and Compensation provisions for the identified services. The services are based upon the proposal submitted by HORNE pursuant to the Request for Proposals generated by the WVDO for the completion of the project.

#### **Services**

Under the direction of the WVDO, HORNE will provide a resource to assist the WVDO and the RISE West Virginia Disaster Recovery Program ("Program") in performing applicant intake and eligibility processing services. This resource will concentrate efforts around duplication of benefits verification to help ensure that the WVDO and Program comply with the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

#### **Period of Performance**

HORNE will perform Services beginning the effective date of the Master Contract and ending on December 11, 2017, unless a renewal of the contract is executed.

#### **Compensation**

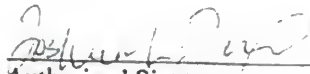
In consideration for the satisfactory performance and WVDO acceptance of the Services rendered, the WVDO will compensate HORNE on a time and material basis up to a maximum amount of \$100,000.

<b>Position</b>	<b>Hourly Rate</b>
Case Manager & Duplication of Benefit Specialist	\$24.00
Sr. Case Manager & Duplication of Benefit Specialist	\$30.00

The WVDO will reimburse the Contractor for the actual cost of mileage, meals, lodging and other travel expenditures necessary for the performance of this Contract. All travel expenditures are subject to the guidelines outlined by the West Virginia State Travel Management Office.

Invoices will be submitted on a bi-weekly basis for all services performed and verified. Invoices will be submitted in accordance with the procedures developed by the WVDO for appropriate review and processing of the documentation. The invoices will be submitted electronically to a project lead identified by the WVDO, who will review for accuracy and completeness. Upon approval by the project lead, the invoice will be submitted to the WVDO Fiscal Unit for processing and payment through the West Virginia State Auditor's Office.

West Virginia Development Office

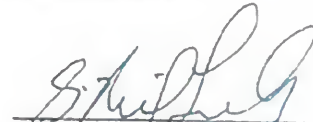
  
Authorized Signature

Robert L. Jarrell  
Name (Printed)

General Counsel  
Title

8/28/17  
Date

HORNE LLP

  
Authorized Signature

S. Neil Forbes  
Name (Printed)

Partner  
Title

24 Aug 17  
Date